

November 14, 2003

Mr. Daniel Mathis  
FHWA Division Administrator  
Federal Highway Administration  
P.O. Box 40943  
Olympia, WA 98504-0943

Dear Mr. Mathis:

Subject: Construction Contract Claims

Enclosed, for your information, are the following Contract Claims Reports:

- Active Claims and Lawsuits (as of 10/1/03)
- Active Significant Disputes (as of 10/1/03)
- Formal Claims & Lawsuits Settled (10/1/02 thru 9/30/03)
- Significant Disputes Settled (10/1/02 thru 9/30/03)

We have attempted to identify only the most significant disputes. There are, of course, a number of arguments, disagreements and minor disputes in nearly every contract. The large majority of these are resolved at the project level and never come to our attention. It is also possible that some formal claims are received and resolved without the knowledge of this office. We do believe that these reports accurately represent the claims status in the Department.

Last year, we reported one active claim. Since that time, work on that claim has progressed. It was not resolved at the time of this summary, but has since been settled and will disappear from the listing next year. Two new claims have been added. One of these is a minor nuisance issue of a note on a final estimate certification. The time limit will expire in three weeks and we expect no action. The other new claim is over asphalt gradation price adjustments. It was also settled after the status date of this report and will be removed at the next reporting.

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Last year, we reported three significant disputes. Since then, one of those was resolved and eighteen new disputes were added. The current total of unresolved significant disputes is twenty.

One of the highest priorities of the Construction Office is to assist in the resolution of claims and disputes while maintaining the high level of mutual respect and collaboration we presently enjoy with our contractor partners. Although the number of unresolved issues has increased, there has been no accompanying increase in formal claims. We expect to continue to resolve most issues without formal transactions or litigation.

Sincerely,

KEVIN DAYTON, P.E.  
State Construction Engineer

RONALD D. HOWARD, P.E.  
Construction Engineer, Administration

RDH  
Enclosure

cc: Don Nelson, 7350  
Ralph Robertson, Eastern Region  
Dan Sarles, NC Region  
Ron Paananen, NW Region, NB82  
Jerry Walter, Olympic Region, 47440  
Doug Ficco, SW Region S-15  
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